

**UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF TEXAS  
HOUSTON DIVISION**

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In re:

LOCKWOOD HOLDINGS, INC., *et al.*,

Debtors.

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Chapter 11

Case No. 18-30197 (DRJ)

Jointly Administered

**NOTICE OF SECOND REVISED PROPOSED BUDGET**

**PLEASE TAKE NOTICE** that on Thursday, January 25, 2018, the Debtors' filed their Notice of Revised Proposed Budget [Docket No. 23], which reflected changes to the proposed interim budget attached to the Debtors' *Emergency Motion for Interim and Final Orders (A) Authorizing use of Cash Collateral Pursuant to Section 363(C) and (B) Scheduling Final Hearing Pursuant to Bankruptcy Rule 4001* [Docket No. 14] (the "Cash Collateral Motion").

**PLEASE TAKE FURTHER NOTICE** that the Debtors have made further revisions to the proposed interim budget in advance of the continued hearing on the Cash Collateral Motion set for Monday, January 29, 2018 at 3:30 p.m. (prevailing Central Time). A true and correct copy of the revised budget is attached hereto as Exhibit "A."

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Respectfully submitted this 29th day of January, 2018,

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**PROPOSED COUNSEL TO THE DEBTORS**

**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that on January 29, 2018, he caused a true and correct copy of the foregoing pleading to be served via CM/ECF to all parties authorized to receive electronic notice in this case, and via electronic mail on counsel to the Lenders.

/s/ Jason S. Brookner

Jason S. Brookner

**Exhibit “A”**  
**Revised Proposed Budget**

**Lockwood Holdings Inc., et al.****Projected Results of Operations and Cash Flows**1/28/17    thru    2/11/17**Cash Flow Summary**

In Thousands of Dollars

	Week ----->			<b>TOTAL</b>
	<b>1</b> <b>28-Jan</b>	<b>2</b> <b>4-Feb</b>	<b>3</b> <b>11-Feb</b>	
<b>Receipts</b>				
Customer Payments	-	3,500.0	5,000.0	8,500.0
Insurance Proceeds	-	2,150.0	-	2,150.0
Other Cash Receipts	-	-	-	-
<b>Total Receipts</b>	<b>\$ -</b>	<b>\$ 5,650.0</b>	<b>\$ 5,000.0</b>	<b>\$ 10,650.0</b>
<b>Operating Disbursements</b>				
Inventory Purchases	-	2,500.0	2,500.0	5,000.0
Payroll & Taxes	18.0	614.2	-	632.2
Health & Benefits	-	216.4	-	216.4
Contract & Temp Labor	-	19.5	16.0	35.5
Rent	-	260.3	-	260.3
Property Taxes	-	1,486.3	-	
Utilities	-	10.7	-	10.7
Truck & Equipment Rental	-	11.5	-	11.5
Maintenance, Repairs & Fuel	-	10.0	-	
Supplies	-	11.5	-	11.5
Freight	-	279.1	-	279.1
Travel & Entertainment	-	-	-	-
IT Costs	-	-	-	-
Sales Tax	-	335.7	-	335.7
Canadian Taxes	-	132.9	-	
Insurance Premiums	-	221.4	-	
Legal & Professional				
G&A - General				-
<b>Total Operating Disbursements</b>	<b>\$ 18.0</b>	<b>\$ 6,109.3</b>	<b>\$ 2,516.0</b>	<b>\$ 6,792.8</b>
<b>Operating Cash Flow</b>	<b>\$ (18.0)</b>	<b>\$ (459.3)</b>	<b>\$ 2,484.0</b>	
<b>Accumulated</b>	<b>(18.0)</b>	<b>(477.3)</b>	<b>2,006.7</b>	
<b>Other (Sources)/ Uses</b>				
Equipment Leases				-
Capital Expenditures				-
Restructuring Costs				-
Restructuring Professionals				-
US Trustee				-
Income & Franchise Taxes				-
<b>Total Other (Sources)/ Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Cash Flow</b>	<b>\$ (18.0)</b>	<b>\$ (459.3)</b>	<b>\$ 2,484.0</b>	
<b>Accumulated</b>	<b>(18.0)</b>	<b>(477.3)</b>	<b>2,006.7</b>	
<b>Ending Book Cash Balance</b>	<b>\$ 1,420.9</b>	<b>\$ 1,402.9</b>	<b>\$ 943.6</b>	<b>\$ 3,427.6</b>
	<b>Opening</b>			<b>Change</b>
				<b>\$ 2,006.7</b>